



# **LION ASIAPAC LIMITED**

(Registration No: 196800586R)

## **Unaudited Condensed Interim Financial Statements**

**For the second quarter and half year ended 31  
December 2022**

**LION ASIAPAC LIMITED**  
**Unaudited Condensed Interim Financial Statements**  
**For the second quarter and half year ended 31 December 2022**

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**A. Condensed interim consolidated statement of profit or loss and other comprehensive income**

	The Group						
	Note	Second Quarter Ended			Half Year Ended		
		31.12.2022 S\$'000	31.12.2021 S\$'000	+/- %	31.12.2022 S\$'000	31.12.2021 S\$'000	+/- %
<b>Revenue</b>	7	7,501	7,819	(4)	15,256	14,587	5
Other income and gains	8	266	422	(37)	615	921	(33)
Goods, materials and consumables used		(6,217)	(5,925)	5	(12,700)	(10,778)	18
Depreciation of property, plant and equipment		(95)	(305)	(69)	(192)	(587)	(67)
Depreciation right-of-use assets		(28)	(51)	(45)	(78)	(101)	(23)
Employee benefits expense		(619)	(590)	5	(1,278)	(1,164)	10
Other expenses	9	(998)	(1,692)	(41)	(2,189)	(2,939)	(26)
Changes in inventories of finished goods		(3)	(43)	(93)	26	(227)	n.m
Finance costs		(22)	(24)	(8)	(43)	(48)	(10)
Other losses	8	(1,181)	--	n.m	(1,643)	--	n.m
<b>Loss before tax</b>		<b>(1,396)</b>	<b>(389)</b>	259	<b>(2,226)</b>	<b>(336)</b>	563
Income tax expense	10	(28)	(31)	(10)	(60)	(61)	(2)
<b>Loss, net of tax</b>		<b>(1,424)</b>	<b>(420)</b>	239	<b>(2,286)</b>	<b>(397)</b>	476
<b>Loss attributable to:</b>							
Equity holders of the Company		(1,424)	(420)	239	(2,286)	(397)	476
		<b>(1,424)</b>	<b>(420)</b>	239	<b>(2,286)</b>	<b>(397)</b>	476

n.m - denotes not meaningful

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**A. Condensed interim consolidated statement of profit or loss and other comprehensive income (Cont'd)**

	The Group						
	Note	Second Quarter Ended			Half Year Ended		
		31.12.2022 S\$'000	31.12.2021 S\$'000	+/- %	31.12.2022 S\$'000	31.12.2021 S\$'000	+/- %
<b>Other comprehensive loss:</b>							
<b>Items that will not be reclassified to profit or loss:</b>							
Fair value changes on equity instruments at fair value through other comprehensive income	15	--	(345)	(100)	--	(1,039)	(100)
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Exchange differences on translating foreign operations		(1,475)	93	n.m	(2,685)	552	n.m
<b>Other comprehensive loss, net of tax</b>		<b>(1,475)</b>	<b>(252)</b>	485	<b>(2,685)</b>	<b>(487)</b>	451
<b>Total comprehensive loss</b>		<b>(2,899)</b>	<b>(672)</b>	331	<b>(4,971)</b>	<b>(884)</b>	462
Total comprehensive loss attributable to:							
Equity holders of the Company		(2,899)	(672)	331	(4,971)	(884)	462
		<b>(2,899)</b>	<b>(672)</b>	331	<b>(4,971)</b>	<b>(884)</b>	462
<b>Losses per share</b>							
Basic and diluted losses per share (cents)	11	<b>(1.76)</b>	<b>(0.52)</b>		<b>(2.82)</b>	<b>(0.49)</b>	

n.m - denotes not meaningful

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**B. Condensed interim statements of financial position**

	Note	The Group		The Company	
		31.12.2022 S\$'000	30.6.2022 S\$'000	31.12.2022 S\$'000	30.6.2022 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	1,647	1,721	--	--
Right-of-use assets	13	1,229	1,073	--	--
Investments in subsidiaries	14	--	--	53,569	63,054
Other financial assets	15	--	--	3	--
<b>Total non-current assets</b>		<b>2,876</b>	<b>2,794</b>	<b>53,572</b>	<b>63,054</b>
<b>Current assets</b>					
Inventories		4,662	5,401	--	--
Trade and other receivables	16	7,784	9,551	32	11
Other non-financial assets		378	330	--	--
Cash and cash equivalents	17	47,870	59,636	3,969	5,436
<b>Total current assets</b>		<b>60,694</b>	<b>74,918</b>	<b>4,001</b>	<b>5,447</b>
<b>Total assets</b>		<b>63,570</b>	<b>77,712</b>	<b>57,573</b>	<b>68,501</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	18	47,494	47,494	47,494	47,494
Retained earnings		21,287	31,683	8,712	19,540
Other reserves (adverse balance)		(9,852)	(7,167)	--	--
<b>Capital and reserves attributable to owners of the Company</b>		<b>58,929</b>	<b>72,010</b>	<b>56,206</b>	<b>67,034</b>
<b>Total equity</b>		<b>58,929</b>	<b>72,010</b>	<b>56,206</b>	<b>67,034</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		224	224	224	224
Lease liabilities		1,036	1,097	--	--
<b>Total non-current liabilities</b>		<b>1,260</b>	<b>1,321</b>	<b>224</b>	<b>224</b>
<b>Current liabilities</b>					
Income tax payables		76	76	--	--
Lease liabilities		302	76	--	--
Trade and other payables		2,615	3,827	1,143	1,243
Provision		388	402	--	--
<b>Total current liabilities</b>		<b>3,381</b>	<b>4,381</b>	<b>1,143</b>	<b>1,243</b>
<b>Total liabilities</b>		<b>4,641</b>	<b>5,702</b>	<b>1,367</b>	<b>1,467</b>
<b>Total equity and liabilities</b>		<b>63,570</b>	<b>77,712</b>	<b>57,573</b>	<b>68,501</b>

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**C. Condensed interim statements of changes in equity**

**The Group**

	Attributable to equity holders of the Company						
	Share capital	Fair value reserve	Currency translation reserve	Capital reserve	Statutory Reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening balance at 1 July 2022</b>	<b>47,494</b>	<b>--</b>	<b>(9,459)</b>	<b>2,112</b>	<b>180</b>	<b>31,683</b>	<b>72,010</b>
Loss for the period	--	--	--	--	--	(2,286)	(2,286)
Other comprehensive loss	--	--	(2,685)	--	--	--	(2,685)
<b>Total comprehensive loss for the period</b>	<b>--</b>	<b>--</b>	<b>(2,685)</b>	<b>--</b>	<b>--</b>	<b>(2,286)</b>	<b>(4,971)</b>
Dividend paid	--	--	--	--	--	(8,110)	(8,110)
<b>Closing balance at 31 December 2022</b>	<b>47,494</b>	<b>--</b>	<b>(12,144)</b>	<b>2,112</b>	<b>180</b>	<b>21,287</b>	<b>58,929</b>
<b>Opening balance at 1 July 2021</b>	<b>47,494</b>	<b>2,265</b>	<b>(9,021)</b>	<b>2,112</b>	<b>180</b>	<b>34,054</b>	<b>77,084</b>
Loss for the period	--	--	--	--	--	(397)	(397)
Other comprehensive loss	--	(1,039)	552	--	--	--	(487)
<b>Total comprehensive loss for the period</b>	<b>--</b>	<b>(1,039)</b>	<b>552</b>	<b>--</b>	<b>--</b>	<b>(397)</b>	<b>(884)</b>
Dividend paid	--	--	--	--	--	(811)	(811)
<b>Closing balance at 31 December 2021</b>	<b>47,494</b>	<b>1,226</b>	<b>(8,469)</b>	<b>2,112</b>	<b>180</b>	<b>32,846</b>	<b>75,389</b>

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**C. Condensed interim statements of changes in equity (Cont'd)**

**The Company**

	<b>Share capital</b> <b>S\$'000</b>	<b>Retained earnings</b> <b>S\$'000</b>	<b>Total</b> <b>S\$'000</b>
<b>Opening balance at 1 July 2022</b>	<b>47,494</b>	<b>19,540</b>	<b>67,034</b>
Total comprehensive loss for the period	--	(2,718)	(2,718)
Dividend paid	--	(8,110)	(8,110)
<b>Closing balance at 31 December 2022</b>	<b>47,494</b>	<b>8,712</b>	<b>56,206</b>
<b>Opening balance at 1 July 2021</b>	<b>47,494</b>	<b>24,601</b>	<b>72,095</b>
Total comprehensive loss for the period	--	(226)	(226)
Dividend paid	--	(811)	(811)
<b>Closing balance at 31 December 2021</b>	<b>47,494</b>	<b>23,564</b>	<b>71,058</b>

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**D. Condensed interim consolidated statement of cash flows**

	<b>The Group</b>	
	<b>Half Year Ended</b>	
	<b>31.12.2022</b> <b>S\$'000</b>	<b>31.12.2021</b> <b>S\$'000</b>
<b><u>Cash flows from operating activities</u></b>		
Loss before tax	(2,226)	(337)
Adjustments for :		
- Depreciation of property, plant and equipment	192	587
- Depreciation of right-of-use assets	78	101
- Property, plant and equipment written off	12	8
- Interest income	(424)	(450)
- Interest expense	43	48
- Unrealised currency translation losses/(gains)	1,652	(215)
- Reversal of impairment loss on trade receivables	--	(9)
<b>Operating cash flows before changes in working capital</b>	<b>(673)</b>	<b>(267)</b>
- Inventories	555	86
- Trade and other receivables	1,411	(601)
- Other non-financial assets	(70)	53
- Trade and other payables	(1,100)	1,622
<b>Net cash flows from operations</b>	<b>123</b>	<b>893</b>
Income tax paid, net	--	(12)
<b>Net cash flows from operating activities</b>	<b>123</b>	<b>881</b>
<b><u>Cash flows from investing activities</u></b>		
Purchases of property, plant and equipment	(215)	(185)
Interest received	117	157
<b>Net cash flows used in investing activities</b>	<b>(98)</b>	<b>(28)</b>
<b><u>Cash flows from financing activities</u></b>		
Lease liabilities	(108)	(135)
Dividends paid to owners of the Company	(8,110)	(811)
<b>Net cash used in financing activities</b>	<b>(8,218)</b>	<b>(946)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(8,193)</b>	<b>(93)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	24,042	29,073
Effects of currency translation on cash and cash equivalents	(1,158)	76
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 17)</b>	<b>14,691</b>	<b>29,056</b>



**E. Notes to the condensed interim consolidated financial statements**

**1. General**

The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore with limited liabilities. The address of its registered office is 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957. The financial statements are presented in Singapore dollars and they cover the Company (referred to as "parent") and the subsidiaries.

The principal activities of the Group are:

- (a) Lime sales;
- (b) Trading of steel consumables; and
- (c) Investment holding.

The condensed interim financial statements for the period ended 31 December 2022 have not been audited or reviewed.

**2. Basis of preparation**

The interim financial statements for the six months ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes were included to explain events and transactions that were significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2022.

The accounting policies adopted were consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements were presented in Singapore dollar which was the Company's functional currency.

**2.1. Changes and adoption of financial reporting standards**

For the current reporting period new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<b>SFRS (I) No.</b>	<b>Title</b>
SFRS (I) 1 -39, 7 and 9	Interest Rate Benchmark Reform – amendments to the Conceptual Framework of Financial Reporting
SFRS (I) 16	Covid-19 Related Rent Concessions - Amendment to (The 2021 amendment extends the limit from 30 June 2021 to 30 June 2022)

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**2.1. Changes and adoption of financial reporting standards (Cont'd)**

**Standards issued but not yet effective**

The Group has not adopted the following standards applicable to the Group with no material impact expected that have been issued but not yet effective:

<b>SFRS (I) No.</b>	<b>Title</b>	<b>Effective date for periods beginning on or after</b>
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2023
SFRS (I) 1-8	Definition of Accounting Estimates - Amendments to	1 Jan 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to	1 Jan 2023
Various	Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2: Disclosure of Accounting Policies	1 Jan 2023

**2.2. Critical judgements, assumptions and estimation uncertainties**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022.

Estimate and underlying assumptions were reviewed on an ongoing basis. Revisions to accounting estimates were recognised in the period in which the estimates were revised and in any future period affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 13 – Assessment of impairment loss on property, plant and equipment and right-of-use assets
- Note 14 – Assessment of impairment loss on investment in subsidiaries
- Note 16 – Assessment of expected loss on trade receivable

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**3. Seasonal operations**

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

**4. Related party transactions**

	<u>Second quarter ended</u>		<u>Half Year ended</u>	
	<u>31.12.2022</u>	<u>31.12.2021</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Significant related party transactions:</u>				
Revenue – sale of goods and services	4,984	3,172	10,496	5,858
Purchase of goods	15	25	110	53
Rental	28	30	56	59

**5. Financial information by operating segments**

The segments and the types of products and services are as follows:

- a) Lime sales – production and sales of quicklime, hydrated lime and quicklime powder.
- b) Trading – trading of consumables required for steel product manufacturing.
- c) Investment holding – managing investments.

<b>The Group</b>	<b>Lime sales \$'000</b>	<b>Trading \$'000</b>	<b>Investment holding \$'000</b>	<b>Total \$'000</b>
<b>Half Year ended 31 December 2022</b>				
<b>Revenue</b>	7,097	8,159	--	15,256
<b>Segment results</b>	(605)	(294)	(299)	(1,198)
Other income and gains	144	143	328	615
Other losses	(449)	--	(1,194)	(1,643)
Loss before tax				(2,226)
Income tax expense				(60)
<b>Loss for the period</b>				(2,286)
<b>Non-cash expenses</b>				
Depreciation	219	47	4	270
<b>Reportable segment assets and consolidated total assets</b>	20,117	5,986	37,467	63,570
<b>Reportable segment liabilities</b>	3,392	474	551	4,417
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				4,641
<b>Other reportable segment item</b>				
Capital expenditure	215	271	--	486

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**5. Financial information by operating segments (Cont'd)**

<b>The Group</b>	<b>Lime sales \$'000</b>	<b>Trading \$'000</b>	<b>Investment holding \$'000</b>	<b>Total \$'000</b>
<b>Half Year ended 31 December 2021</b>				
<b>Revenue</b>	10,109	4,478	--	14,587
<b>Segment results</b>	(668)	(306)	(283)	(1,257)
Other income and gains	119	174	628	921
Loss before tax				(336)
Income tax expense				(61)
<b>Loss for the period</b>				(397)
<b>Non-cash expenses</b>				
Depreciation	616	68	4	688
<b>Reportable segment assets and consolidated total assets</b>	19,130	15,613	46,513	81,256
<b>Reportable segment liabilities</b>	4,708	326	609	5,643
Unallocated:				
Deferred tax liabilities				224
<b>Consolidated total liabilities</b>				5,867
<b>Other reportable segment item</b>				
Capital expenditure	185	--	--	185

**Geographical information**

As at 31 December 2022, the Group's three business segments operated in three main geographical areas:

- Malaysia – the main activity is lime sales and trading; and
- Australia – the main activity is investment holding.
- Singapore – the main activity is investment holding.

	<b><u>Revenue</u></b>		<b><u>Non-current assets</u></b>	
	<b><u>Half Year ended</u></b>		<b><u>Half Year ended</u></b>	
	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Malaysia	15,247	14,587	2,590	3,051
Australia	--	--	--	1,226
Singapore	--	--	286	140
Others	9	--	--	--
	<b><u>15,256</u></b>	<b><u>14,587</u></b>	<b><u>2,876</u></b>	<b><u>4,417</u></b>

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**6. Financial assets and financial liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting period/year:

	<u>Group</u>		<u>Company</u>	
	<u>31.12.2022</u>	<u>30.6.2022</u>	<u>31.12.2022</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Financial assets at amortised cost	<b>55,654</b>	69,187	<b>4,001</b>	5,447
At end of the period/year	<b>55,654</b>	69,187	<b>4,001</b>	5,447
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	<b>3,953</b>	5,000	<b>1,143</b>	1,243
At end of the period/year	<b>3,953</b>	5,000	<b>1,143</b>	1,243

**7. Revenue**

Revenue from contracts with customers

	<u>Second quarter ended</u>		<u>Half Year ended</u>	
	<u>31.12.2022</u>	<u>31.12.2021</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
- Lime sales	<b>3,687</b>	5,590	<b>7,097</b>	10,109
- Trading	<b>3,814</b>	2,229	<b>8,159</b>	4,478
Sales	<b>7,501</b>	7,819	<b>15,256</b>	14,587

**8. Other income and gains**

	<u>Second quarter ended</u>		<u>Half Year ended</u>	
	<u>31.12.2022</u>	<u>31.12.2021</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Other income and gains:</u>				
Interest income	<b>190</b>	226	<b>424</b>	450
Exchange gain	<b>--</b>	74	<b>--</b>	300
Penalties from shortfall on minimum purchases	<b>27</b>	25	<b>73</b>	43
Rental recharged	<b>24</b>	23	<b>48</b>	47
Reversal of impairment loss on receivables	<b>--</b>	9	<b>--</b>	9
Incentive claim income	<b>22</b>	--	<b>35</b>	--
Others	<b>3</b>	65	<b>35</b>	72
	<b>266</b>	422	<b>615</b>	921
<u>Other losses:</u>				
Exchange losses	<b>(732)</b>	--	<b>(1,194)</b>	--
Stock adjustment	<b>(449)</b>	--	<b>(449)</b>	--
	<b>(1,181)</b>	--	<b>(1,643)</b>	--
Net	<b>(915)</b>	422	<b>(1,028)</b>	921

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**9. Other expenses**

The major and other selected components include the following:

	<b><u>Second quarter ended</u></b>		<b><u>Half Year ended</u></b>	
	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Limekiln restart cost	--	139	--	152
Maintenance expense	<b>32</b>	60	<b>293</b>	112
Material handling	<b>98</b>	109	<b>200</b>	203
Transportation expense	<b>313</b>	723	<b>618</b>	1,293
Utilities	<b>261</b>	357	<b>514</b>	673

**10. Income tax**

	<b><u>Second quarter ended</u></b>		<b><u>Half Year ended</u></b>	
	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Current income tax expense	<b>28</b>	31	<b>60</b>	61

**11. Losses per share**

	<b><u>Second quarter ended</u></b>		<b><u>Half Year ended</u></b>	
	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>	<b><u>31.12.2022</u></b>	<b><u>31.12.2021</u></b>
Loss, net of tax attributable to owners of the Company (S\$'000)	<b>(1,424)</b>	(420)	<b>(2,286)</b>	(397)
Weighted average number of ordinary shares ('000)	<b>81,105</b>	81,105	<b>81,105</b>	81,105
Losses per share (cents)	<b>(1.76)</b>	(0.52)	<b>(2.82)</b>	(0.49)

The diluted losses per share was the same as the basic losses per share as there were no share options outstanding (30.12.2021: Nil).

**12. Net asset value**

	<b><u>Group</u></b>		<b><u>Company</u></b>	
	<b><u>31.12.2022</u></b>	<b><u>30.6.2022</u></b>	<b><u>31.12.2022</u></b>	<b><u>30.6.2022</u></b>
Net asset value per ordinary share (cents)	<b>72.66</b>	88.79	<b>69.30</b>	82.65

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**13. Property, plant and equipment and right-of use assets**

The Group used the cost approach (depreciated replacement cost method) in determining fair value less cost of disposal for its property, plant & equipment ("PPE") and used the discounted cash flow approach for right-of use assets ("ROU") held by subsidiary, Compact Energy Sdn Bhd.

There is no impairment considered necessary for the PPE and ROU for the current financial reporting period.

**14. Investments in subsidiaries**

	<u>Company</u>	
	<u>31.12.2022</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Unquoted equity shares at cost	5,087	5,087
Loan receivables <sup>(a)</sup>	101,110	108,095
Allowance for impairment	(52,628)	(50,128)
Carrying value	<u>53,569</u>	<u>63,054</u>

(a) Loan receivables from subsidiaries are classified as investment in subsidiaries as these are deemed as long-term receivables in nature.

	<u>Company</u>	
	<u>31.12.2022</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Movements during the period/year. At carrying value:		
Balance at beginning of the year	63,054	63,497
Allowance of impairment loss <sup>(b)</sup>	(2,500)	(3,858)
(Repayment)/Additions of loan receivables	(6,985)	3,415
Balance at end of the period/year	<u>53,569</u>	<u>63,054</u>
Movements in allowance for impairment:		
Balance at beginning of the year	50,128	46,270
Allowance of impairment loss to profit or loss of Company <sup>(b)</sup>	2,500	3,858
Balance at end of the period/year	<u>52,628</u>	<u>50,128</u>

(b) The net tangible assets/liabilities of subsidiaries were used to determine the allowance for impairment. There were decreasing performance of subsidiaries' financial positions, hence resulting in allowance of impairment amounting to S\$2,500,000 (2022: S\$3,858,000).

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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**15. Other financial assets**

	<u>Group</u>
	<u>31.12.2022</u>
	<u>S\$'000</u>
Movements during the period/year:	
Fair value at beginning of the year	2,265
Decrease in fair value through other comprehensive income	(2,265)
Fair value at end of the period/year	--

Other financial assets comprised the quoted shares of Mindax Limited, which was listed on the Australian Securities Exchange ("ASX"). The equity investment was classified as level 1 in the fair value hierarchy as it was traded in an active market. In prior year, the equity investment was voluntary suspended, therefore the investment value has been written down to nil.

**16. Trade and other receivables**

The impairment allowance was based on the individual assessment of the large balances and the use of a matrix for the smaller balances based on its historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and was adjusted for forward-looking estimates. At each reporting date, the historical observed default rates were updated and changes in the forward-looking estimates were analysed. The loss allowance was determined for trade receivables as follow:

Aging analysis of trade receivables that are past due:

	<u>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>31.12.2022:</u>		
Within credit limit	5,899	--
1 to 30 days past due	547	--
31 to 60 days past due	326	--
61 to 90 days past due	286	--
Over 90 days past due	180	--
Total	7,238	--
	<u>Gross amount</u>	<u>Loss allowance</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Group</u>		
<u>30.6.2022:</u>		
Current	6,782	--
1 to 30 days past due	714	--
31 to 60 days past due	640	--
61 to 90 days past due	646	--
Over 90 days past due	138	--
Total	8,920	--

The Group has carefully assessed the historical payment pattern up to the date of the announcement and concluded that there were no significant changes in credit risk by comparing the debtor's credit risk at initial recognition with the credit risk at the reporting date. Accordingly, no allowances were considered necessary.



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**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**17. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>31.12.2022</u>	<u>30.6.2022</u>	<u>31.12.2022</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Cash at bank and on hand	7,282	3,043	1,038	378
Fixed deposits	40,588	56,593	2,931	5,058
Cash at end of the period/year	<u>47,870</u>	<u>59,636</u>	<u>3,969</u>	<u>5,436</u>

Cash and cash equivalents in the statement of cash flows:

	<u>Group</u>	
	<u>31.12.2022</u>	<u>30.6.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Amount as shown above	47,870	59,636
Cash subjected to foreign exchange control	(33,179)	(35,594)
Cash and cash equivalents in the statement of cash flows	<u>14,691</u>	<u>24,042</u>

**18. Share capital**

	<u>Number of shares issued</u>	<u>Share capital S\$'000</u>
<b>Issued share capital</b>		
Balances as 30.9.2022, and 31.12.2022	<u>81,104,539</u>	<u>47,494</u>
<b>Treasury shares</b>		
Balances as 31.12.2021, 30.6.2022, and 31.12.2022	<u>--</u>	<u>--</u>
<b>Total number of issued shares excluding treasury shares</b>		
Balances as 31.12.2021, 30.6.2022, and 31.12.2022	<u>81,104,539</u>	<u>47,494</u>

There was no movement in the issued and paid-up capital of the Company since 30 June 2022.

**19. Subsequent events**

There were no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

## Other information Required by Listing Rule Appendix 7.2

**F. Other information required by Listing Rule Appendix 7.2**

**1. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The condensed consolidated balance sheet of Lion Asiapac Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated income statement and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of the performance of the group**

**Turnover and net earnings**

Quarter on quarter, the Group's revenue has decreased by 4% to S\$7.5million, because of higher steel trading volume offset by lower orders from lime sales.

An exchange gain of S\$0.1million in the last corresponding quarter compared with no exchange differences in this quarter, has resulted in a 37% reduction to S\$0.3million, in 'Other income and gains'.

As depreciation has been provided on most of the property, plant and equipment, this quarter's depreciation charge has been reduced by 69% to S\$0.1million.

Reductions in, transportation cost (S\$0.4million), utility cost (S\$0.1million) and kiln restart cost (S\$0.2million), have caused 'Other expenses' to dropped by 41% to S\$1.0million.

Net loss for the quarter was S\$1.4million, against a loss of S\$0.4million in the corresponding period. This comprised a one-time stocktake adjustment of S\$0.4million, and an exchange loss of S\$0.7million compared with a gain of S\$0.1million in the corresponding period, offset by the decrease in depreciation of property, plant and equipment and right-of-use assets, of S\$0.2million.

For the 6-month period, higher orders in steel trading offset by lower lime sales have increased Group's revenue by 5% to S\$15.3million.

An exchange gain of S\$0.3million last year has reduced 'Other income and gains' by 33% to S\$0.6million.

Higher fuel cost resulted in the increase in purchases by 18% to S\$12.7million while increased salary has caused employee expenses to increase by 10% to S\$1.3million.

Other expenses fell by 26% to S\$2.2million, comprising decreased limekiln restart of S\$0.2million, reduced transportation cost of S\$0.7million, decreased utilities of S\$0.1million offset by increased maintenance expenses of S\$0.2million.

For the lime sales segment, escalating production cost has resulted in losses for both current and previous periods, of S\$0.6million and S\$0.7million respectively. The Group incurred losses of S\$0.3million respectively, for trading and investment holding for the period.

Overall, the Group incurred a loss after tax of S\$2.3million for the 6-month period ended December 2022.

**F. Other information required by Listing Rule Appendix 7.2 (Cont'd)**

**2. Review of the performance of the group (Cont'd)**

**Financial position review**

As of December 2022, the Group's assets and liabilities, stood at S\$63.6million and S\$4.6million, respectively. Its working capital remained healthy at S\$56.9million, a decrease of S\$13.3million from the corresponding period.

Repayment by debtors has reduced trade and other receivables by S\$1.8million to S\$7.8million.

Inventories decreased by S\$0.7million owing to one-time stocktake adjustment of S\$0.4million and usage of burning fuel in lime production S\$0.3million.

Trade and other payables decreased by S\$1.2million because of payments made to suppliers.

Additional recognition of S\$0.3million has increased the balances of the right-of-use assets and lease liabilities by S\$0.2million respectively.

Weakening of the Renminbi and the Ringgit have resulted in the increase of 'Other reserves (adverse balance)' from S\$7.2million to S\$9.9million.

**Cash flow statement review**

Cash flows from operating activities amounted to S\$0.1million. The Group utilised S\$0.1million in investing activities mainly for the purchase of PPE S\$0.2million, cushioned by interest received S\$0.1million. The Group utilised S\$8.2million in financing activities mainly due to dividend payment and repayment of lease liabilities.

The foreign currency translation losses from the weakening Renminbi have resulted in the reduction of the balances in the China bank accounts by S\$2.4million to S\$33.2million.

In summary, the group's cash balances were reduced by S\$11.8million to S\$47.9million as at the period end.

**3. Where a forecast, or a prospectus statement, has been previously disclosed to shareholders, any variances between it and the actual results**

There is no forecast or prospectus statement previously disclosed.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months**

With increasing inflation and weakening economic activities, we continue to face global headwinds in our business outlook.

The Group's operations are subject to the market conditions, challenges of the steel industry, and the increased energy prices in Malaysia. Escalating costs will continue to pose constraints to the Group's core businesses. The Group will continue to exercise prudence in managing these challenges and will take advantage of any new opportunities that may arise.

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**F. Other information required by Listing Rule Appendix 7.2 (Cont'd)**

**5. Dividend**

**(a) Current Financial Period Reported On**

None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Yes

Name of Dividend	Final
Date of Payment	15 December 2021
Dividend Type	Cash
Dividend Rate	1 cent per ordinary share
Tax Rate	Tax-exempt one-tier

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**6. If no dividend has been declared/recommended, a statement to that effect**

There were no dividends declared as the Company considered it necessary to conserve cash for future operations in view of the Group's business strategy.

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**F. Other information required by Listing Rule Appendix 7.2 (Cont'd)**

**7. Interested person transactions**

**Interested Person Transactions ("IPTs")**

For the financial period ended 31.12.2022		
Name of Interested Person	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under IPT Mandate pursuant to Rule 920) S\$'000	Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
Associate of Tan Sri Cheng Heng Jem, a director and a substantial shareholder of the Company		
<u>Sales of lime products</u>		
Amsteel Mills Sdn Bhd	--	2,337
<u>Sales of steel consumables</u>		
Amsteel Mills Sdn Bhd	--	8,159
<u>Maintenance expense</u>		
Amsteel Mills Sdn Bhd	--	171

\*\*\* Amsteel Mills Sdn Bhd is a subsidiary of Lion Industries Corporation Berhad, an interested person in the IPT Mandate.

**8. Confirmation by Directors Pursuant to Rule 705(5) of the SGX Listing Manual**

The Directors confirmed that, to the best of their knowledge, nothing has come to their attention which may render the interim financial results of Lion Asiapac Limited for the second quarter and half year ended 31 December 2022 to be false or misleading in any material aspects.

**9. Confirmation pursuant to rule 720(1) of the Listing Manual**

The Company confirmed that undertakings pursuant to Rule 720(1) of the SGX-ST Listing Manual had been obtained from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

**BY ORDER OF THE BOARD**  
**LION ASIAPAC LIMITED**

Gan Chi Siew  
Company Secretary

Singapore, 10 February 2023